Fuji Seal International, Inc. and Subsidiaries

Consolidated Financial Statements for the Year Ended March 31, 2015, and Independent Auditor's Report

Deloitte.

Deloitte Touche Tohmatsu LLC
Yodoyabashi Mitsui Building
4-1-1, Imabashi, Chuo-ku
Osaka 541-0042
Japan

Tel: +81 (6) 4560 6000
Fax: +81 (6) 4560 6001
www.deloitte.com/jp

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Fuji Seal International, Inc.:

We have audited the accompanying consolidated balance sheet of Fuji Seal International, Inc. and its subsidiaries as of March 31, 2015, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Fuji Seal International, Inc. and its subsidiaries as of March 31, 2015, and the consolidated results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

June 17, 2015

Fuji Seal International, Inc. and Subsidiaries

Consolidated Balance Sheet
March 31, 2015

ASSETS	Millions of Yen 2015	Millions of Yen 2014	Thousands of U.S. Dollars (Note 1) 2015
CURRENT ASSETS:			
Cash and bank deposits (Notes 15 and 20)	¥ 7,909	¥ 9,261	$ 65,815
Receivables (Note 15):			
Trade	34,254	31,150	285,046
Associated companies	150	157	1,248
Other (Note 7)	4,043	1,353	33,644
Allowance for doubtful receivables	(115)	(412)	(957)
Inventories (Notes 4 and 8)	16,305	13,706	135,683
Deferred tax assets (Note 12)	960	993	7,989
Other current assets	546	513	4,544
Total current assets	64,052	56,721	533,012
PROPERTY, PLANT, AND EQUIPMENT:			
Land (Note 5)	7,070	7,064	58,833
Buildings and structures (Notes 5 , 6 and 8)	32,112	28,606	267,221
Machinery and equipment (Notes 6 and 8)	77,351	67,742	643,680
Furniture and fixtures	5,086	5,385	42,323
Lease assets (Note 14)	528	501	4,394
Construction in progress	4,699	6,686	39,104
Total	126,846	115,984	1,055,555
Accumulated depreciation	(70,594)	(62,703)	(587,451)
Net property, plant, and equipment	56,252	53,281	468,104
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 3 and 15)	3,057	2,186	25,439
Investment in associated company	3,663	2,831	30,482
Goodwill (Note 22)	79	107	657
Software	736	514	6,125
Deferred tax assets (Note 12)	728	840	6,058
Asset for retirement benefits (Note 10)	1,128	1,269	9,387
Other assets	1,341	1,504	11,158
Total investments and other assets	10,732	9,251	89,306
TOTAL	¥ 131,036	¥ 119,253	$ 1,090,422

LIABILITIES AND EQUITY	Millions of Yen 2015	Millions of Yen 2014	Thousands of U.S. Dollars (Note 1) 2015
CURRENT LIABILITIES:			
Short-term bank loans (Notes 9 and 15)	¥ 4,130	¥ 3,836	$ 34,368
Current portion of long-term debt (Notes 9 and 15)	1,260	1,280	10,485
Current portion of long-term lease obligations (Note 14)	70	66	583
Payables (Note 15):			
Trade	19,724	17,811	164,134
Associated company	111	365	924
Other	6,773	3,505	56,362
Income taxes payable (Note 15)	1,575	1,705	13,106
Accrued expenses	3,096	2,660	25,764
Other current liabilities	1,677	1,539	13,954
Total current liabilities	38,416	32,767	319,680
LONG-TERM LIABILITIES:			
Long-term debt (Notes 2.u, 9 and 15)	7,230	8,550	60,165
Long-term lease obligations (Note 14)	169	176	1,406
Liability for retirement benefits (Note 8)	3,125	2,203	26,005
Deferred tax liabilities (Note 12)	2,702	2,991	22,485
Other long-term liabilities	358	488	2,979
Total long-term liabilities	13,584	14,408	113,040
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 13 and 15)			
EQUITY (Notes 11 and 21):			
Common stock, authorized, 100,000,000 shares; issued, 30,080,978 shares in 2015 and 2014 (Notes 2.u. and v.)	5,990	5,990	49,846
Capital surplus	6,233	6,233	51,868
Retained earnings	60,576	57,329	504,078
Treasury stock - at cost: 1,694,733 shares in 2015 and 1,736,743 shares in 2014	(3,301)	(3,380)	(27,469)
Accumulated other comprehensive income (loss):			
Unrealized gain on available-for-sale securities	1,137	536	9,461
Deferred loss on derivatives under hedge accounting (Note 16)	(13)	-	(108)
Foreign currency translation adjustments	9,652	5,580	80,320
Defined retirement benefit plan (Note 10)	(1,238)	(210)	(10,294)
Total	9,538	5,906	79,379
Total equity	79,036	72,078	657,702
TOTAL	¥ 131,036	¥ 119,253	$ 1,090,422

See notes to consolidated financial statements.

Fuji Seal International, Inc. and Subsidiaries

Consolidated Statement of Income
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
NET SALES	¥ 131,008	¥121,015	$ 1,090,189
COST OF SALES (Note 13)	104,865	95,424	872,639
Gross profit	26,143	25,591	217,550
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES (Notes 13 and 19)	16,596	15,987	138,104
Operating income	9,547	9,604	79,446
OTHER INCOME (EXPENSES):			
Interest and dividend income	70	93	583
Interest expense	(64)	(61)	(533)
Foreign exchange loss - net	(16)	(35)	(133)
Equity in earnings of associated company	323	367	2,688
Gains on sales of property, plant, and equipment	20	166	166
Losses on sales and disposals of property, plant, and equipment	(534)	(395)	(4,444)
Reorganization expenses (Note 6)	(1,634)	(918)	(13,597)
Insurance income (Note 7)	2,181	-	18,153
Loss on fire accident (Note 8)	(2,181)	-	(18,153)
Other - net (Note 5)	26	(154)	216
Other income (expenses) - net	(1,809)	(937)	(15,054)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	7,738	8,667	64,392
INCOME TAXES (Note 12):			
Current	(3,473)	(3,400)	(28,901)
Deferred	222	143	1,848
Total income taxes	(3,251)	(3,257)	(27,053)
NET INCOME BEFORE MINORITY INTERESTS	4,487	5,410	37,339
MINORITY INTERESTS IN NET INCOME	-	-	-
NET INCOME	¥ 4,487	¥ 5,410	$ 37,339
	Yen		U.S. Dollars
PER SHARE OF COMMON STOCK (Notes 2.t. and 18):			
Basic net income	¥158.18	¥191.03	$1.32
Cash dividends applicable to the year	42.00	40.00	0.35

See notes to consolidated financial statements.

Fuji Seal International, Inc. and Subsidiaries

Consolidated Statement of Comprehensive Income
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
NET INCOME BEFORE MINORITY INTERESTS	¥ 4,487	¥ 5,410	$ 37,339
OTHER COMPREHENSIVE INCOME (LOSS) (Note 17):			
Unrealized gain on available-for-sale securities	601	190	5,001
Deferred gain (loss) on derivatives under hedge accounting	(13)	2	(108)
Foreign currency translation adjustments	3,563	8,900	29,651
Share of other comprehensive (loss) income in associates	508	(1)	4,227
Defined retirement benefit costs	(1,028)	761	(8,555)
Total other comprehensive income	3,631	9,852	30,216
COMPREHENSIVE INCOME (Note 17)	¥ 8,118	¥ 15,262	$ 67,555
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (Note 17):			
Owners of the parent	¥8,118	¥15,262	$67,555
Minority interests	-	-	-

See notes to consolidated financial statements.

Fuji Seal International, Inc. and Subsidiaries

Consolidated Statement of Changes in Equity
Year Ended March 31, 2015

		Millions of Yen									
						Accumulated Other Comprehensive Income					
	Number of Shares of Common Stock Outstanding	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Unrealized Gain on Available-for-Sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Minimum Pension Liability Adjustment	Defined Retirement Benefit Plan	Total Equity
BALANCE, APRIL 1, 2013	28,299,377	¥ 5,990	¥ 6,233	¥ 53,357	¥ (3,465)	¥ 345	¥ (2)	¥ (3,318)	¥ (796)	¥ -	¥ 58,344
Net income	-	-	-	5,410	-	-	-	-	-	-	5,410
Cash dividends, ¥40 per share	-	-	-	(1,168)	-	-	-	-	-	-	(1,168)
Purchase of treasury stock	(642)	-	-	-	(2)	-	-	-	-	-	(2)
Sale of treasury stock	45,500	-	-	-	87	-	-	-	-	-	87
Other	-	-	-	(270)	-	-	-	-	-	-	(270)
Net change in the year	-	-	-	-	-	191	2	8,898	796	(210)	9,677
BALANCE, MARCH 31, 2014 (APRIL 1, 2014, as previously reported)	28,344,235	5,990	6,233	57,329	(3,380)	536	-	5,580	-	(210)	72,078
Cumulative effect of accounting change	-	-	-	(15)	-	-	-	-	-	-	(15)
BALANCE, APRIL 1, 2014 (as restated)	28,344,235	5,990	6,233	57,314	(3,380)	536	-	5,580	-	(210)	72,063
Net income	-	-	-	4,487	-	-	-	-	-	-	4,487
Cash dividends, ¥42 per share	-	-	-	(1,225)	-	-	-	-	-	-	(1,225)
Purchase of treasury stock	(390)	-	-	-	(1)	-	-	-	-	-	(1)
Sale of treasury stock	42,400	-	-	-	80	-	-	-	-	-	80
Net change in the year	-	-	-	-	-	601	(13)	4,072	-	(1,028)	3,632
BALANCE, MARCH 31, 2015	28,386,245	¥ 5,990	¥ 6,233	¥ 60,576	¥ (3,301)	¥ 1,137	¥ (13)	¥ 9,652	¥ -	¥ (1,238)	¥ 79,036

	Thousands of U.S. Dollars (Note 1)									
					Accumulated Other Comprehensive Income					
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Unrealized Gain on Available-for-Sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Minimum Pension Liability Adjustment	Defined Retirement Benefit Plan	Total Equity
BALANCE, MARCH 31, 2014 (APRIL 1, 2014, as previously reported)	$ 49,846	$ 51,868	$ 477,066	$ (28,127)	$ 4,460	$ -	$ 46,434	$ -	$ (1,748)	$ 599,799
Cumulative effect of accounting change	-	-	(133)	-	-	-	-	-	-	(133)
BALANCE, APRIL 1, 2014 (as restated)	49,846	51,868	476,933	(28,127)	4,460	-	46,434	-	(1,748)	599,666
Net income	-	-	37,339	-	-	-	-	-	-	37,339
Cash dividends, $ 0.35 per share	-	-	(10,194)	-	-	-	-	-	-	(10,194)
Purchase of treasury stock	-	-	-	(8)	-	-	-	-	-	(8)
Sale of treasury stock	-	-	-	666	-	-	-	-	-	666
Net change in the year	-	-	-	-	5,001	(108)	33,886	-	(8,546)	30,233
BALANCE, MARCH 31, 2015	$ 49,846	$ 51,868	$ 504,078	$ (27,469)	$ 9,461	$ (108)	$ 80,320	$ -	$ (10,294)	$ 657,702

See notes to consolidated financial statements.

Fuji Seal International, Inc. and Subsidiaries

Consolidated Statement of Cash Flows
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 7,738	¥ 8,667	$ 64,392
Adjustments for:			
Income taxes - paid	(3,631)	(3,059)	(30,216)
Depreciation and amortization	6,305	5,839	52,467
Reorganization expenses (Note 6)	1,634	918	13,597
Insurance income (Note 7)	2,181	-	18,153
Loss on fire accident (Note 8)	(2,181)	-	(18,153)
Gains on sales of property, plant, and equipment	(20)	(166)	(166)
Losses on sales and disposals of property, plant, and equipment	534	395	4,444
Equity in earnings of associated company	(323)	(367)	(2,688)
Changes in assets and liabilities:			
Increase in receivables	(2,472)	(2,533)	(20,571)
Increase in inventories	(1,916)	(1,030)	(15,944)
Increase in payables	1,448	1,598	12,050
(Decrease) increase in liability for retirement benefits	120	(121)	999
Other - net	81	(505)	674
Total adjustments	1,760	969	14,646
Net cash provided by operating activities	9,498	9,636	79,038
INVESTING ACTIVITIES:			
Purchases of property, plant, and equipment	(8,614)	(13,095)	(71,682)
Purchases of software and other assets	(603)	(578)	(5,018)
Purchases of investment securities	(25)	(127)	(208)
Other – net	701	2,282	5,834
Net cash used in investing activities	(8,541)	(11,518)	(71,074)
FINANCING ACTIVITIES:			
Increase in short-term bank loans - net	254	2,225	2,114
Proceeds from long-term debt	-	400	-
Repayments of long-term debt	(1,340)	(2,080)	(11,151)
Dividends paid	(1,225)	(1,168)	(10,194)
Other – net	15	21	125
Net cash used in financing activities	(2,296)	(602)	(19,106)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	61	965	507
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,278)	(1,519)	(10,635)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,085	10,604	75,601
CASH AND CASH EQUIVALENTS, END OF YEAR (Note 20)	¥ 7,807	¥ 9,085	$ 64,966

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

1. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2014 consolidated financial statements to conform to the classifications used in 2015.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Fuji Seal International, Inc. (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥120.17 to $1, the approximate rate of exchange at March 31, 2015. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Consolidation - The consolidated financial statements as of March 31, 2015, include the accounts of the Company and its 23 (27 in 2014) subsidiaries (collectively, the "Group").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investment in 1 (1 in 2014) associated company is accounted for by the equity method.

The excess of the cost of acquisition over the fair value of the net assets of an acquired subsidiary at the date of acquisition is being amortized using the straight-line method over five years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

b. ***Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements -*** In May 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Practical Issues Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements." PITF No. 18 prescribes that the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should, in principle, be unified for the preparation of the consolidated financial statements. However, financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used for the consolidation process, except for the following items which should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (a) amortization of goodwill; (b) scheduled amortization of actuarial gain or loss of pensions that has been recorded in equity through other comprehensive income; (c) expensing capitalized development costs of R&D; (d) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; and (e) exclusion of minority interests from net income, if contained in net income.

c. ***Unification of Accounting Policies Applied to Foreign Associated Company for the Equity Method -*** In March 2008, the ASBJ issued ASBJ Statement No. 16, "Accounting Standard for Equity Method of Accounting for Investments." The new standard requires adjustments to be made to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impracticable to determine such adjustments. In addition, financial statements prepared by foreign associated company in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (a) amortization of goodwill; (b) scheduled amortization of actuarial gain or loss of pensions that has been recorded in equity through other comprehensive income; (c) expensing capitalized development costs of R&D; (d) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; and (e) exclusion of minority interests from net income, if contained in net income.

d. ***Cash Equivalents -*** Cash equivalents presented in the consolidated statement of cash flows are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include deposits in banks and other short-term investments which mature or become due within 12 months of the date of acquisition.

e. ***Inventories -*** Inventories are stated at the lower of cost, determined by the average method principally for finished products and work in process and by the most recent purchase price principally for raw materials and supplies, or net selling value.

f. ***Investment Securities -*** Available-for-sale securities, which are not classified as either trading securities or held-to-maturity debt securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity.

Nonmarketable available-for-sale securities are stated at cost determined by the moving average method.

For other-than-temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

g. ***Allowance for Doubtful Receivables -*** The allowance for doubtful receivables is stated in amounts considered to be appropriate based on the Group's past credit loss experience and an evaluation of potential losses in the receivables outstanding.

h. ***Property, Plant, and Equipment -*** Property, plant, and equipment are stated at cost. Depreciation of property, plant, and equipment of the Company and its domestic subsidiaries is computed by the declining-balance method, while the straight-line method is applied to buildings acquired after April 1, 1998. Depreciation of property, plant, and equipment of foreign subsidiaries is computed substantially by the straight-line method. The range of useful lives is from 2 to 50 years for buildings and structures, and from 2 to 15 years for machinery and equipment.

   Equipment held under lease is depreciated by the straight-line method over the respective lease period.

i. ***Long-Lived Assets -*** The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

j. ***Software -*** Software for internal use is amortized by the straight-line method over the estimated useful lives. The estimated useful lives are principally five years.

k. ***Amortization of Goodwill -*** Cost in excess of the net assets of subsidiaries acquired is amortized on a straight-line basis over five years.

l. ***Retirement and Pension Plans -*** The Company and certain subsidiaries have defined contribution pension plan and defined benefit lump-sum payment plan for employees. The liability for employees' retirement benefits is accounted for based on projected benefit obligations at the balance sheet date.

   In May 2012, the ASBJ issued ASBJ Statement No. 26, "Accounting Standard for Retirement Benefits" and ASBJ Guidance No. 25, "Guidance on Accounting Standard for Retirement Benefits," which replaced the accounting standard for retirement benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000, and the other related practical guidance, and were followed by partial amendments from time to time through 2009.

   (a) Under the revised accounting standard, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and any resulting deficit or surplus is recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).

   (b) The revised accounting standard does not change how to recognize actuarial gains and losses and past service costs in profit or loss. Those amounts are recognized in profit or loss over a certain period no longer than the expected average remaining service period of the employees. However, actuarial gains and losses and past service costs that arose in the current period and have not yet been recognized in profit or loss are included in other comprehensive income and actuarial gains and losses and past service costs that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments.

(c) The revised accounting standard also made certain amendments relating to the method of attributing expected benefit to periods and relating to the discount rate and expected future salary increases.

This accounting standard and the guidance for (a) and (b) above are effective for the end of annual periods beginning on or after April 1, 2013, and for (c) above are effective for the beginning of annual periods beginning on or after April 1, 2014, or for the beginning of annual periods beginning on or after April 1, 2015, subject to certain disclosure in March 2015, both with earlier application being permitted from the beginning of annual periods beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

The Company applied the revised accounting standard and guidance for retirement benefits for (a) and (b) above, effective March 31, 2014, and for (c) above, effective April 1, 2014.

With respect to (c) above, the Company changed the method of attributing the expected benefit to periods from a straight-line basis to a benefit formula basis, the method of determining the discount rate from using the period which approximates the expected average remaining service period to using a single weighted average discount rate reflecting the estimated timing and amount of benefit payment and the method of estimating expected future salary increases from salary increases "expected to be certain" to salary increases "expected", and recorded the effect of (c) above as of April 1, 2014, in retained earnings.

In addition, The effect of this change on the total assets, liabilities, equity, operating income, net income, equity per share and net income per share was immaterial.

m. ***Asset Retirement Obligations -*** In March 2008, the ASBJ published ASBJ Statement No. 18, "Accounting Standard for Asset Retirement Obligations," and ASBJ Guidance No. 21, "Guidance on Accounting Standard for Asset Retirement Obligations." Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development, and normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of the asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an adjustment to the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

n. ***Research and Development Costs -*** Research and development costs are charged to income as incurred.

o. ***Leases -*** In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions," which revised the previous accounting standard for lease transactions.

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were to be capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the notes to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the consolidated balance sheet.

In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to continue to be accounted for as operating lease transactions with certain "as if capitalized" information disclosed in the notes to the lessee's financial statements.

The Company applied the revised accounting standard effective April 1, 2008. In addition, the Company continues to account for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions.

All other leases are accounted for as operating leases.

p. ***Income Taxes -*** The provision for income taxes is computed based on the pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

The Group files a tax return under the consolidated corporate-tax system, which allows companies to base tax payments on the combined profits or losses of the parent company and its wholly owned domestic subsidiaries.

q. ***Foreign Currency Transactions -*** All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the consolidated statement of income to the extent that they are not hedged by forward exchange contracts.

r. ***Foreign Currency Financial Statements -*** The balance sheet accounts of the foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as "Foreign currency translation adjustments" under accumulated other comprehensive income (loss) in a separate component of equity. Revenue and expense accounts of foreign subsidiaries are translated into yen at the average exchange rate.

s. ***Derivatives and Hedging Activities -*** The Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange and interest rates. Foreign exchange forward contracts and interest rate swaps are utilized by the Group to reduce foreign currency exchange and interest rate risks. The Group does not enter into derivatives for trading or speculative purposes.

For derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions. Designation transactions are applied to debts and credits in foreign currency, which conform to the requirements of hedge accounting.

The interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income.

t. ***Per Share Information -*** Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period retroactively adjusted for stock splits.

Cash dividends per share presented in the accompanying consolidated statement of income are dividends applicable to the respective years, including dividends to be paid after the end of the year.

u. ***Accounting for Trust-Type Employee Stock Ownership Incentive Plan -*** The employee incentive plan, "Employee Stock Ownership Plan Trust" has been ended as of March 31, 2015.

v. ***Accounting Method of Stock Grant ESOP Trust -*** In December 2013, the ASBJ issued PITF No. 30, "Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts." This PITF is effective for the beginning of annual periods beginning on or after April 1, 2014, with earlier application permitted from the beginning of annual periods first ending after the date of issuance of this PITF, and applied retrospectively.

In accordance with the PITF, upon the transfer of treasury stock to the employee stockownership trust (the "Trust") by the entity, any difference between the book value and fair value of the treasury stock shall be recorded in capital surplus. At year end, the entity shall record (1) the entity stock held by the Trust as treasury stock in equity, (2) all other assets and liabilities of the Trust on a line-by-line basis, and (3) a liability/asset for the net of (i) any gain or loss on delivery of the stock by the Trust to the employee shareholding association, (ii) dividends received from the entity for the stock held by the Trust, and (iii) any expenses relating to the Trust.

The Company has already applied above mentioned method before March 31, 2014, therefore there is no effect on the consolidated financial statements.

The Company resolved at its board of directors meeting held on February 7, 2012, to adopt the "Stock Grant ESOP Trust" as an incentive plan for employees for purposes of enhancing the medium- to long-term corporate value of the Company. Accordingly, Mitsubishi UFJ Trust Banking Corporation (Stock Grant ESOP Trust Account) acquired 100,000 shares of the Company's stock on March 2, 2012. The Company, in light of the economic substance of the plan, accounts for the Stock Grant ESOP Trust by considering the Company and the Stock Grant ESOP Trust Account as a single entity, and has thus included the Company's stock owned by the Stock Grant ESOP Trust Account, and the assets and liabilities, and expenses and income thereof in the consolidated balance sheet, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows. Therefore, in terms of treasury stock, the Company's stock has been included in the number of treasury stock. The number of treasury stock held by the Stock Grant ESOP Trust Account was 100,000 (100,000 in 2014) shares and the amount of treasury stock held by the Stock Grant ESOP Trust Account was ¥138 million ($ 1,149 thousand), as of March 31, 2015.

w. ***Accounting Changes and Error Corrections -*** In December 2009, the ASBJ issued ASBJ Statement No. 24, "Accounting Standard for Accounting Changes and Error Corrections," and ASBJ Guidance No. 24, "Guidance on Accounting Standard for Accounting Changes and Error Corrections." Accounting treatments under this standard and guidance are as follows: (1) Changes in Accounting Policies - When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions, in which case the entity shall comply with the specific transitional provisions; (2) Changes in Presentation - When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation; (3) Changes in Accounting Estimates - A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods; and (4) Corrections of Prior-Period Errors - When an error in prior period financial statements is discovered, those statements are restated.

3. INVESTMENT SECURITIES

Investment securities as of March 31, 2015 and 2014, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Noncurrent:			
Marketable equity securities	¥ 2,853	¥ 1,982	$ 23,741
Unquoted equity securities	204	204	1,698
Total	¥ 3,057	¥ 2,186	$ 25,439

The costs and aggregate fair values of investment securities at March 31, 2015 and 2014, were as follows:

	Millions of Yen			
	2015			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale:				
Equity securities	¥ 1,177	¥ 1,684	¥ (8)	¥ 2,853
Total	¥ 1,177	¥ 1,684	¥ (8)	¥ 2,853

	Millions of Yen			
	2014			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale:				
Equity securities	¥ 1,152	¥ 838	¥ (8)	¥ 1,982
Total	¥ 1,152	¥ 838	¥ (8)	¥ 1,982

	Thousands of U.S. Dollars			
	2015			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale:				
Equity securities	$ 9,794	$ 14,013	$ (66)	$ 23,741
Total	$ 9,794	$ 14,013	$ (66)	$ 23,741

The proceeds, realized gains and realized losses of the available-for-sale securities which were sold during the years ended March 31, 2014, was as follows.

	Millions of Yen		
March 31, 2014	Proceeds	Realized Gains	Realized Loss
Available-for-sale:			
Equity securities	¥ 36	¥ 1	¥ -
Total	¥ 36	¥ 1	¥ -

There were no sales of securities for the year ended March 31, 2015.

4. INVENTORIES

Inventories at March 31, 2015 and 2014, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Finished products	¥ 7,394	¥ 5,689	$ 61,529
Work in process	2,640	2,970	21,969
Raw materials and supplies	6,271	5,047	52,185
Total	¥ 16,305	¥ 13,706	$ 135,683

5. LONG-LIVED ASSETS

The Group reviewed its long-lived assets for impairment as of March 31, 2015 and 2014. As a result, the Group recognized an impairment loss of ¥58 million as other expense and the carrying amount of the relevant assets was written down to the recoverable amount for the year ended March 31, 2014. No impairment loss was recognized for the year ended March 31, 2015.

6. REORGANIZATION EXPENSES

The Previous Fiscal Year

Reorganization expenses were mainly the results from restructuring activities in PAGO Segment, consisting of impairment losses for building and machinery in the amount of ¥465 million and other related costs in the amount of ¥313 million including extra retirement payments. The Group recognized impairment losses of ¥465 million for idle buildings and machinery due to restructuring, and the carrying amounts of relevant assets were written down to the recoverable amounts. The Group measured recoverable amounts in these assets at the value if sold.

The Current Fiscal Year

Reorganization expenses were mainly the results from restructuring activities in PAGO Segment, consisting of impairment losses for building and machinery in the amount of ¥760 million ($6,324 thousand), early retirement cost in the amount of ¥625 million ($5,201 thousand), losses on sales and disposals of property, plant, and equipment in the amount of ¥37 million ($308 thousand), and other related costs in the amount of ¥102 million ($848 thousand). The Group recognized impairment losses of ¥760 million for idle buildings and machinery due to restructuring, and the carrying amounts of relevant assets were written down to the recoverable amounts. The Group measured recoverable amounts in these assets at the value if sold.

7. INSURANCE INCOME

Insurance income was result from a fire accident that occurred at consolidated subsidiary Fuji Seal Poland Sp.zo.o (Poland) in December 2014.

8. LOSS ON FIRE ACCIDENT

Loss on fire accident was result from a fire accident that occurred at consolidated subsidiary Fuji Seal Poland Sp.zo.o (Poland) in December 2014, consisting of buildings and structures, machinery and equipment in the amount of ¥1,819 million ($15,138 thousand), inventories in the amount of ¥67 million ($559 thousand), and other restoring cost in the amount of ¥294 million ($2,454 thousand).

9. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term bank loans at March 31, 2015 and 2014, mainly consisted of bank overdrafts. The weighted-average annual interest rates applicable to the short-term bank loans at March 31, 2015 and 2014, were 0.5% and 0.5%, respectively.

Long-term debt at March 31, 2015 and 2014, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Loans from banks, due serially to 2018	¥ 3,490	¥ 4,830	$ 29,042
Unsecured bonds, due 2018	5,000	5,000	41,608
Total	8,490	9,830	70,650
Less current portion, with weighted average per annum interest rate of 0.5% for 2015 (0.5% for 2014)	(1,260)	(1,280)	(10,485)
	¥ 7,230	¥ 8,550	$ 60,165

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Long-term loans from banks, less current portion, with weighted average per annum interest rate of 0.5% for 2015 (0.5% for 2014)	¥ 2,230	¥ 3,550	$ 18,557
Unsecured 0.4% bonds, due 2018	5,000	5,000	41,608
Total	¥ 7,230	¥ 8,550	$ 60,165

Annual maturities of long-term debt at March 31, 2015, were as follows:

Years Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2016	¥ 1,260	$ 10,485
2017	1,480	12,316
2018	5,750	47,849
Total	¥ 8,490	$ 70,650

10. RETIREMENT AND PENSION PLANS

The Company and certain subsidiaries have defined benefit plan such as a defined corporate pension plan and lump-sum pension plan, and also have defined contribution plans.
Under most circumstances, employees terminating their employment are entitled to retirement benefits determined based on the rate of pay at the time of termination, years of service, and certain other factors. At the time of retirement, there are cases in which employees are entitled to larger payments not subject to defined benefit obligation.

Defined Benefit Plan

(1) The changes in defined benefit obligation for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Balance at beginning of year	¥ 17,699	¥ 14,644	$ 147,283
Cumulative effect of accounting change	24	-	200
Balance at beginning of year (as restated)	17,723	14,644	147,483
Current service cost	426	402	3,545
Interest cost	439	372	3,653
Actuarial gain (loss)	3,190	(510)	26,546
Benefits paid	(1,443)	(746)	(12,008)
The effect of changes in foreign exchange rates	679	3,335	5,650
Others	118	202	982
Balance at end of year	¥ 21,132	¥ 17,699	$ 175,851

(2) The changes in plan assets for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Balance at beginning of year	¥ 16,765	¥ 12,645	$ 139,511
The return on plan assets	337	271	2,804
Expected return on plan assets	154	128	1,282
Actuarial gains	1,594	863	13,265
Contributions from the employer	396	429	3,295
Asset ceiling (*1)	255	(247)	2,122
Benefits paid	(1,411)	(676)	(11,742)
The effect of changes in foreign exchange rates	714	3,121	5,942
Others	330	231	2,745
Balance at end of year	¥ 19,134	¥ 16,765	$ 159,224

(*1) The adjustment for asset ceiling is required by International Accounting Standard No.19 "Employee Benefits," which requires entities to limit the amounts recognized as plan assets.

(3) Reconciliation between the liability and asset recorded in the consolidated balance sheet and the balances of defined benefit obligation and plan assets as of March 31, 2015 and 2014

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Funded defined benefit obligation	¥ 19,622	¥ 16,349	$ 163,285
Plan assets	(19,135)	(16,765)	(159,233)
	487	(416)	4,052
Unfunded defined benefit obligation	1,510	1,350	12,566
Net liability for defined benefit obligation	¥ 1,997	¥ 934	$ 16,618

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Liability for retirement benefits	¥ 3,125	¥ 2,203	$ 26,005
Asset for retirement benefits	(1,128)	(1,269)	(9,387)
Net liability for defined benefit obligation	¥ 1,997	¥ 934	$ 16,618

(4) The components of net periodic benefit costs for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Service cost	¥ 426	¥ 402	$ 3,545
Net interest on the net defined benefit liability	102	102	849
Expected return on plan assets	(154)	(128)	(1,282)
Recognized actuarial losses	41	175	341
Amortization of prior service cost	(162)	45	(1,348)
Others (including extra retirement payment)	635	144	5,285
Net periodic benefit costs	¥ 888	¥ 740	$ 7,390

(5) Amounts recognized in other comprehensive income (before income tax effect) in respect of defined retirement benefit plans as of March 31, 2015 and 2014

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Prior service cost	¥ 28	¥ -	$ 233
Actuarial gain (loss)	(1,399)	1,288	(11,642)
Total	¥ (1,371)	¥ 1,288	$ (11,409)

(6) Amounts recognized in accumulated other comprehensive income (before income tax effect) in respect of defined retirement benefit plans as of March 31, 2015 and 2014

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Unrecognized prior service cost	¥ (125)	¥ 153	$ (1,040)
Unrecognized actuarial gains (loss)	(1,368)	213	(11,384)
Total	¥ (1,493)	¥ 366	$ (12,424)

(7) Plan assets as of March 31, 2015 and 2014

a. Components of plan assets

Plan assets consisted of the following:

	2015	2014
Debt investments	45%	46%
Equity investments	27	29
Others	28	25
Total	100%	100%

b. *Method of determining the expected rate of return on plan assets*

The expected rate of return on plan assets is determined considering the long-term rates of return which are expected currently and in the future form the various components of the plan assets.

(8) Assumptions used for the years ended March 31, 2015 and 2014, were set forth as follows:

	2015		2014	
Discount rate	Domestic:	1.2%	Domestic:	1.2%
	Foreign:	1.1 - 3.6%	Foreign:	2.2 - 4.4%
Expected rate of return on plan assets		8.0%		8.0%
Amortization period of prior service cost	Mainly 10 years		Mainly 10 years	
Recognition period of actuarial gain/loss	Mainly 10 years		Mainly 10 years	
Estimated rate of salary increase (*1)	Domestic:	5.9%	Domestic:	5.3%
	Foreign:	1.0 - 2.0%	Foreign:	1.0 - 2.0%

(*1) For Japan, we have disclosed the estimated rate of increase in point which is a source of retirement allowance calculation (retirement standard salary).

Defined Contribution Plan

The amount of required contribution at March 31, 2015 and 2014, were ¥250 million ($2,073 thousand) and 208 million, respectively.

11. EQUITY

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria, such as (1) having a board of directors, (2) having independent auditors, (3) having an audit & supervisory board, and (4) the term of service of the directors being prescribed as one year rather than the normal two-year term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the companies have prescribed so in its articles of incorporation. The board of directors of companies with board committees (including appointment committee, compensation committee, and audit committee) can also do so because such companies with board committees already, by nature, meet the above criteria under the Companies Act even though such companies have an audit committee instead of an audit & supervisory board. The Company is organized as a company with board committees.

The Companies Act permits companies to distribute dividends in kind (noncash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the board of directors if the articles of incorporation of the Company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases/Decreases and Transfer of Common Stock, Reserve, and Surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account that was charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the amount of common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

(c) Treasury Stock and Treasury Stock Acquisition Rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the board of directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders, which is determined by a specific formula.Under the Companies Act, stock acquisition rights are presented as a separate component of equity.The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

12. INCOME TAXES

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in normal effective statutory tax rate of approximately 35.59% and 37.96% for the years ended March 31, 2015 and 2014, respectively. Foreign subsidiaries are subject to income taxes of the countries in which they operate.

New tax reform laws enacted in 2015 in Japan changed the normal effective statutory tax rate for the fiscal year beginning on or after April 1, 2015, to 33.02% and for the fiscal year beginning on or after April 1, 2016, to 32.22%. The effect of this change on the deferred taxes was immaterial.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2015 and 2014, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Deferred tax assets:			
Accrued enterprise taxes	¥ 122	¥ 138	$ 1,015
Accrued bonuses	342	307	2,846
Allowance for doubtful receivables	21	22	175
Liability for retirement benefits	967	697	8,047
Tax loss carryforwards	5,049	1,133	42,015
Depreciation	109	104	907
Unrealized intercompany profits	145	473	1,207
Preferential taxation for investments	1,382	1,532	11,500
Other	890	455	7,407
Less valuation allowance	(6,448)	(2,180)	(53,658)
Total	¥ 2,579	¥ 2,681	$ 21,461
Deferred tax liabilities:			
Reserve for special depreciation	¥ (52)	¥ (78)	$ (433)
Reserve for advanced depreciation of property, plant, and equipment	(253)	(286)	(2,105)
Net unrealized gain on available-for-sale securities	(539)	(294)	(4,485)
Depreciation	(2,384)	(2,951)	(19,839)
Other	(452)	(230)	(3,761)
Total	¥ (3,680)	¥ (3,839)	$ (30,623)
Net deferred tax assets (liabilities)	¥ (1,101)	¥ (1,158)	$ (9,162)

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the years ended March 31, 2014, is not presented because the difference between the actual effective tax rate and the normal effective statutory tax rate was less than 5% of the statutory tax rate.

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the years ended March 31, 2015, is as follows;

	2015	2014
Normal effective statutory tax rate	35.59%	-%
Change in valuation allowance	2.80	-
Different tax rates applied to foreign subsidiaries	5.55	-
Per capita inhabitants tax	0.46	-
Research and development tax credits	(1.41)	-
Amortization of goodwill	0.14	-
Investment gain from equity method	(1.50)	-
Other - net	0.39	-
Actual effective tax rate	42.02%	-%

13. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to income were ¥2,469 million ($20,546 thousand) and ¥2,148 million for the years ended March 31, 2015 and 2014, respectively.

14. LEASES

The Group leases certain machinery, computer equipment, office space, and other assets.

Total rental expenses, including lease payments under finance leases for the years ended March 31, 2015 and 2014, were ¥213 million ($1,772 thousand) and ¥194 million, respectively.

Obligations under finance leases and future minimum payments under noncancelable operating leases were as follows:

	Millions of Yen				Thousands of U.S. Dollars	
	2015		2014		2015	
	Finance Leases	Operating Leases	Finance Leases	Operating Leases	Finance Leases	Operating Leases
Due within one year	¥ 70	¥ 139	¥ 66	¥ 191	$ 583	$ 1,157
Due after one year	169	215	176	213	1,406	1,789
Total	¥ 239	¥ 354	¥ 242	¥ 404	$ 1,989	$ 2,946

15. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(1) Group Policy for Financial Instruments

The Group invests cash surpluses in low-risk financial assets, mainly short-term deposits, and uses financial instruments, mainly short-term bank loans and bond, for funding. Derivatives are used, not for speculative purposes, but to manage exposure to financial risks as described in (2) below.

(2) Nature and Extent of Risks Arising from Financial Instruments

Receivables for trade are exposed to customer credit risk. Receivables and payables in foreign currencies are exposed to the market risk of fluctuation in foreign currency exchange rates. Marketable and investment securities, mainly listed shares, are exposed to the risk of market price fluctuations.

Payment terms of payables for trade are mostly less than six months.

Maturities of bank loans and bonds are less than three years after the balance sheet date. Although a part of such bank loans are exposed to market risks from changes in variable interest rates, those risks are mitigated by using derivatives of interest rate swaps.

Derivatives consist primarily of forward foreign currency contracts and interest-rate swaps which are used to manage exposure to market risks from changes in foreign currency exchange rates of receivables and payables and from changes in interest rates of bank loans. Please see Notes 2.s. and 16 for more detail about derivatives.

(3) Risk Management for Financial Instruments

Credit risk management

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. The Group manages its credit risk from receivables on the basis of internal guidelines, which include monitoring of payment terms and balances of major customers by each business administration department to identify the default risk of customers at early stages. The credit risk regarding subsidiaries is also managed in the same manner.

Market risk management (foreign exchange risk)

Foreign currency trade receivables are exposed to market risk resulting from fluctuations in foreign currency exchange rates. Such foreign exchange risk, which is recognized with respect to each currency and each month, is hedged principally by forward foreign currency contracts. Forward foreign currency contracts are used when foreign currency trade receivables are expected with certainty from forecasted transactions and subject to exchange fluctuations.

Investment securities are managed by monitoring market values and the financial position of issuers on a regular basis.

Liquidity risk management

Liquidity risk comprises the risk that the Group cannot meet its contractual obligations in full on its maturity dates. The Group manages its liquidity risk by holding adequate volumes of liquid assets in view of business income and expenditure and equipment investment spending plan, along with adequate financial planning by the Corporate Treasury Department. Subsidiaries also report their financial plans to the Group. The Finance Department manages liquidity risk by obtaining information on cash flows of the whole group.

(4) Fair Values of Financial Instruments

Fair values of financial instruments are based on quoted prices in active markets. If a quoted price is not available, another rational valuation technique is used instead. The techniques include some changing factors and the fair values may be changed by adopting different assumptions. In addition, the contract amounts of derivatives in Note 16 "DERIVATIVES" do not directly indicate the market risk of derivatives.

(a) Fair value of financial instruments

The carrying amounts, fair values, and unrealized gain/loss as of March 31, 2015 and 2014, are as follows. Note that financial instruments whose fair value cannot be reliably determined are not included (See (b)).

	Millions of Yen		
March 31, 2015	Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and bank deposits	¥ 7,909	¥ 7,909	¥ -
Receivables:			
Trade	34,254	34,254	-
Associated company	150	150	-
Investment securities:			
Available-for-sale securities	2,853	2,853	-
Total	¥ 45,166	¥ 45,166	¥ -
Short-term bank loans	¥ 4,130	¥ 4,130	¥ -
Payables:			
Trade	19,724	19,724	-
Associated company	111	111	-
Other	6,773	6,773	-
Income taxes payable	1,575	1,575	-
Long-term debt	8,490	8,512	(22)
Total	¥ 40,803	¥ 40,825	¥ (22)
Derivatives (*1)	¥ 3	¥ 3	¥ -

	Millions of Yen		
March 31, 2014	Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and bank deposits	¥ 9,261	¥ 9,261	¥ -
Receivables:			
Trade	31,150	31,150	-
Associated company	157	157	-
Investment securities:			
Available-for-sale securities	1,982	1,982	-
Total	¥ 42,550	¥ 42,550	¥ -
Short-term bank loans	¥ 3,836	¥ 3,836	¥ -
Payables:			
Trade	17,811	17,811	-
Associated company	365	365	-
Other	3,505	3,505	-
Income taxes payable	1,705	1,705	-
Long-term debt	9,830	9,844	(14)
Total	¥ 37,052	¥ 37,066	¥ (14)
Derivatives (*1)	¥ 3	¥ 3	¥ -

March 31, 2015	Thousands of U.S. Dollars Carrying Amount	Fair Value	Unrealized Gain (Loss)
Cash and bank deposits	$ 65,815	$ 65,815	$ -
Receivables:			
Trade	285,046	285,046	-
Associated company	1,248	1,248	-
Investment securities:			
Available-for-sale securities	23,741	23,741	-
Total	$ 375,850	$ 375,850	$ -
Short-term bank loans	$ 34,368	$ 34,368	$ -
Payables:			
Trade	164,134	164,134	-
Associated company	924	924	-
Other	56,362	56,362	-
Income taxes payable	13,106	13,106	-
Long-term debt	70,650	70,833	(183)
Total	$ 339,544	$ 339,727	$ (183)
Derivatives (*1)	$ 25	$ 25	-

Note:

(*1) Derivative assets and liabilities are presented on a net basis. Negative balances indicate derivative liabilities.

Assets

Cash and bank deposits

The carrying values are adopted for cash and bank deposits as they approximate fair value because of their short maturities.

Investment securities

The fair values of investment securities are measured at the quoted market price on the stock exchange for equity instruments and at the quoted price obtained from the financial institution for certain debt instruments. Fair value information for investment securities by classification is included in Note 3.

Receivables and payables

The carrying values of receivables and payables approximate fair value because of their short maturities.

Short-term bank loans

The carrying values of short-term bank loans approximate fair value because of their short maturities.

Income taxes payable

The carrying values of income taxes payable approximate fair value because of their short maturities.

Long-term debt

The fair values of long-term bank loans are determined by discounting the cash flows related to the debt at the Group's assumed corporate borrowing rate. The fair values of bond are determined by the over-the-counter sale price published by Japan Securities Dealers Association.

Derivatives

Fair value information for derivatives is included in Note 16.

(b) Carrying amount of financial instruments whose fair value cannot be reliably determined

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Investments in equity instruments that do not have a quoted market price in an active market	¥204	¥204	$1,698

(5) Maturity analysis for financial assets and securities with contractual maturities

	Millions of Yen			
March 31, 2015	Due in One Year or Less	Due after One Year through Five Years	Due after Five Years through Ten Years	Due after Ten Years
Cash and bank deposits	¥ 7,909	¥ -	¥ -	¥ -
Receivables:				
Trade	34,254	-	-	-
Associated company	150	-	-	-
Total	¥ 42,313	¥ -	¥ -	¥ -

	Millions of Yen			
March 31, 2014	Due in One Year or Less	Due after One Year through Five Years	Due after Five Years through Ten Years	Due after Ten Years
Cash and bank deposits	¥ 9,261	¥ -	¥ -	¥ -
Receivables:				
Trade	31,150	-	-	-
Associated company	157	-	-	-
Total	¥ 40,568	¥ -	¥ -	¥ -

March 31, 2015	Thousands of U.S. Dollars Due in One Year or Less	Due after One Year through Five Years	Due after Five Years through Ten Years	Due after Ten Years
Cash and bank deposits	$ 65,815	$ -	$ -	$ -
Receivables:				
Trade	285,046	-	-	-
Associated company	1,248	-	-	-
Total	$ 352,109	$ -	$ -	$ -

Please see Note 9 for annual maturities of long-term debt and Note 14 for obligation under finance leases.

16. DERIVATIVES

The Group enters into foreign currency forward contracts and foreign currency option contracts to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies.

The Group also enters into interest rate swap contracts to manage its interest rate exposures on certain liabilities.

All derivative transactions are entered into to hedge interest and foreign currency exposures incorporated within the Group's business. Accordingly, market risk in these derivatives is basically offset by opposite movements in the value of hedged assets or liabilities. The Group does not hold or issue derivatives for trading purposes.

Because the counterparties to these derivatives are limited to major international financial institutions, the Group does not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Group have been made in accordance with internal policies which regulate the authorization and credit limit amount.

Derivative Transactions to Which Hedge Accounting Is Not Applied

At March 31, 2015	Millions of Yen Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain/Loss
Foreign currency forward contracts:				
Selling Euro	¥310	¥ -	¥22	¥22

At March 31, 2014	Millions of Yen Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain/Loss
Foreign currency forward contracts:				
Selling Euro	¥469	¥ -	¥3	¥3

At March 31, 2015	Thousands of U.S. Dollars			
	Contract Amount	Contract Amount Due after One Year	Fair Value	Unrealized Gain/Loss
Foreign currency forward contracts:				
Selling Euro	$2,580	$ -	$183	$183

Derivative Transactions to which Hedge Accounting Is Applied

At March 31, 2015	Millions of Yen			
	Hedged Item	Contract Amount	Contract Amount Due after One Year	Fair Value
Principal method:				
Foreign currency forward contracts:				
Buying Euro	Forecasted transactions	¥563	¥ -	¥(19)
Buying USD	Forecasted transactions	504	-	(0)
Conventional method:				
Foreign currency forward contracts:				
Selling Euro	Receivables	¥41	¥ -	*1
Selling USD	Receivables	86	-	*1
Interest rate swaps:				
(fixed-rate payment, floating rate receipt)	Long-term debt	¥2,750	¥1,750	*2

At March 31, 2014	Millions of Yen			
	Hedged Item	Contract Amount	Contract Amount Due after One Year	Fair Value
Conventional method:				
Foreign currency forward contracts:				
Selling Euro	Receivables	¥17	¥ -	*1
Selling USD	Receivables	16	-	*1
Interest rate swaps:				
(fixed-rate payment, floating rate receipt)	Long-term debt	¥3,750	¥2,750	*2

At March 31, 2015	Hedged Item	Thousands of U.S. Dollars Contract Amount	Contract Amount Due after One Year	Fair Value
Principal method:				
Foreign currency forward contracts:				
Buying Euro	Forecasted transactions	$4,685	$ -	$(158)
Buying USD	Forecasted transactions	4,194	-	(4)
Conventional method				
Foreign currency forward contracts:				
Selling Euro	Receivables	$341	$ -	*1
Selling USD	Receivables	716	-	*1
Interest rate swaps: (fixed-rate payment, floating rate receipt)	Long-term debt	$22,884	$14,563	*2

The fair value of derivative transactions is measured at the quoted price obtained from the financial institution.

*1 The above forward foreign currency contracts which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the currency contracts are recognized and included in exchange loss or gain. In addition, the fair value of such forward foreign currency contracts in Note 15 is included in that of hedged items.

*2 The above interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements are recognized and included in interest expense or income. In addition, the fair value of such interest rate swaps in Note 15 is included in that of hedged items.

17. COMPREHENSIVE INCOME

The components of other comprehensive income for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Unrealized gain on available-for-sale securities:			
Gain arising during the year	¥ 846	¥ 299	$ 7,040
Reclassification adjustments to (profit) or loss	-	(1)	-
Amount before income tax effect	846	298	7,040
Income tax effect	(245)	(108)	(2,039)
Total	¥ 601	¥ 190	$ 5,001
Deferred loss on derivatives under hedge accounting:			
Gain (loss) arising during the year	¥ (19)	¥ 12	$ (158)
Reclassification adjustments to (profit) or loss	-	(9)	-
Amount before income tax effect	(19)	3	(158)
Income tax effect	6	(1)	50
Total	¥ (13)	¥ 2	$ (108)
Foreign currency translation adjustments:			
Gain arising during the year	¥ 3,546	¥ 8,900	$ 29,508
Reclassification adjustments to (profit) or loss	17	-	143
Amount before income tax effect	3,563	8,900	29,651
Income tax effect	-	-	-
Total	¥ 3,563	¥ 8,900	$ 29,651
Share of other comprehensive income in associates:			
Gain (loss) arising during the year	¥ 508	¥ (22)	$ 4,227
Reclassification adjustments to (profit) or loss	-	21	-
Total	¥ 508	¥ (1)	$ 4,227
Minimum pension liability adjustments & defined retirement benefit plan:			
Gain (loss) arising during the year	¥ (1,247)	¥ 959	$ (10,377)
Reclassification adjustments to (profit) or loss	(124)	145	(1,032)
Amount before income tax effect	(1,371)	1,104	(11,409)
Income tax effect	343	(343)	2,854
Total	¥ (1,028)	¥ 761	$ (8,555)
Total other comprehensive income	¥ 3,631	¥ 9,852	$ 30,216

18. NET INCOME PER SHARE

Basic net income per share ("EPS") for the years ended March 31, 2015 and 2014, is calculated as follows:

	Millions of Yen	Thousands of Shares	Yen	Dollars
	Net Income	Weighted-Average Shares	EPS	
For the year ended March 31, 2015:				
Basic EPS				
Net income available to common shareholders	¥4,487	28,365	¥158.18	$1.32

Diluted net income per share is not disclosed because there is no dilution of stock.

	Millions of Yen	Thousands of Shares	Yen
	Net Income	Weighted-Average Shares	EPS
For the year ended March 31, 2014:			
Basic EPS			
Net income available to common shareholders	¥5,410	28,322	¥191.03

Diluted net income per share is not disclosed because there is no dilution of stock.

19. SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

The main components of selling, general, and administrative expenses for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Employees' salary	¥6,478	¥6,617	$53,907
Freight charges	2,365	2,208	19,680

20. SUPPLEMENTARY INFORMATION TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

1. Reconciliations between cash and cash equivalents on the consolidated statement of cash flows and cash and bank deposits on the consolidated balance sheet at March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Cash and bank deposits	¥ 7,909	¥ 9,261	$ 65,815
Bank overdraft	(102)	(176)	(849)
Cash and cash equivalents	¥ 7,807	¥ 9,085	$ 64,966

21. SUBSEQUENT EVENT

Appropriations of Retained Earnings

The following appropriation of retained earnings at March 31, 2015, was approved at the meeting of the board of directors of the Company held on May 19, 2015:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥21 ($0.17) per share	¥598	$4,976

22. SEGMENT INFORMATION

Under ASBJ Statement No. 17, "Accounting Standard for Segment Information Disclosures" and ASBJ Guidance No. 20, "Guidance on Accounting Standard for Segment Information, Disclosures" an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

(1) Description of Reportable Segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Company's management is being performed in order to decide how resources are allocated among the Group. The Group conducts packaging business, which mainly consists of shrink labels and self-adhesive (tack) labels in Japan, Americas, Europe, Asean, and PAGO. Each of the regions is an independently managed unit that can conduct production and sales in their respective region.

(2) Methods of Measurement for the Amounts of Sales, Profit (Loss), Assets, Liabilities, and Other Items for Each Reportable Segment.

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, "Summary of Significant Accounting Policies."

(3) Information about Sales, Profit (Loss), Assets, Liabilities, and Other Items is as follows.

	Millions of Yen 2015							
	Reportable Segment							
	Japan	Americas	Europe	PAGO	Asean	Total	Reconciliations	Consolidated
Sales:								
Sales to external customers	¥ 73,070	¥ 23,467	¥ 15,651	¥ 16,558	¥ 2,262	¥ 131,008	¥ -	¥ 131,008
Intersegment sales or transfers	1,707	31	1,926	132	115	3,911	(3,911)	-
Total	74,777	23,498	17,577	16,690	2,377	134,919	(3,911)	131,008
Segment profit (loss)	7,614	2,098	714	(802)	(116)	9,508	39	9,547
Segment assets	102,192	30,126	18,805	16,781	3,046	170,950	(39,914)	131,036
Segment liabilities	36,887	6,783	4,811	4,623	1,610	54,714	(2,713)	52,001
Other:								
Depreciation	2,582	1,643	1,133	833	125	6,316	(11)	6,305
Amortization of goodwill	-	-	-	30	-	30	-	30
Investments in equity method associated company	3,663	-	-	-	-	3,663	-	3,663
Increase in property, plant, and equipment and intangible assets	4,418	3,420	1,654	465	370	10,327	-	10,327

	Millions of Yen 2014							
	Reportable Segment							
	Japan	Americas	Europe	PAGO	Asean	Total	Reconciliations	Consolidated
Sales:								
Sales to external customers	¥ 69,208	¥ 20,939	¥ 12,705	¥ 16,442	¥ 1,721	¥ 121,015	¥ -	¥ 121,015
Intersegment sales or transfers	1,870	19	1,551	30	569	4,039	(4,039)	-
Total	71,078	20,958	14,256	16,472	2,290	125,054	(4,039)	121,015
Segment profit (loss)	7,015	2,149	574	106	(200)	9,644	(40)	9,604
Segment assets	95,479	24,340	17,841	18,764	2,973	159,397	(40,144)	119,253
Segment liabilities	34,486	4,729	4,043	4,335	1,706	49,299	(2,124)	47,175
Other:								
Depreciation	2,333	1,402	992	963	86	5,776	(11)	5,765
Amortization of goodwill	-	-	-	27	-	27	-	27
Investments in equity method associated company	2,831	-	-	-	-	2,831	-	2,831
Increase in property, plant, and equipment and intangible assets	5,629	5,251	2,029	1,534	290	14,733	-	14,733

	Thousands of U.S. Dollars 2015							
	Reportable Segment							
	Japan	Americas	Europe	PAGO	Asean	Total	Reconciliations	Consolidated
Sales:								
Sales to external customers	$ 608,054	$ 195,282	$ 130,241	$ 137,789	$ 18,823	$ 1,090,189	$ -	$ 1,090,189
Intersegment sales or transfers	14,206	258	16,027	1,098	957	32,546	(32,546)	-
Total	622,260	195,540	146,268	138,887	19,780	1,122,735	(32,546)	1,090,189
Segment profit (loss)	63,359	17,459	5,942	(6,674)	(965)	79,121	325	79,446
Segment assets	850,395	250,695	156,487	139,644	25,347	1,422,568	(332,146)	1,090,422
Segment liabilities	306,956	56,445	40,035	38,471	13,398	455,305	(22,576)	432,729
Other:								
Depreciation	21,487	13,672	9,428	6,932	1,040	52,559	(92)	52,467
Amortization of goodwill	-	-	-	250	-	250	-	250
Investments in equity method associated company	30,482	-	-	-	-	30,482	-	30,482
Increase in property, plant, and equipment and intangible assets	36,764	28,460	13,764	3,870	3,079	85,937	-	85,937

Note: Reconciliation amount of segment assets of ¥39,914 million ($332,146 thousand) and ¥40,144 million for the years ended March 31, 2015 and 2014, was mainly composed of offsetting of the investment account and the capital account, respectively.

1. Information about products and services

	Millions of Yen						
	2015						
	Shrink Labels	Other Labels	Self-adhesive (Tack) Labels	Soft Pouches	Machinery	Others	Total
Sales to external customers	¥74,264	¥1,436	¥26,570	¥7,580	¥11,318	¥9,840	¥131,008

	Millions of Yen						
	2014						
	Shrink Labels	Other Labels	Self-adhesive (Tack) Labels	Soft Pouches	Machinery	Others	Total
Sales to external customers	¥69,627	¥1,545	¥26,159	¥6,122	¥9,122	¥8,440	¥121,015

	Thousands of U.S. Dollars						
	2015						
	Shrink Labels	Other Labels	Self-adhesive (Tack) Labels	Soft Pouches	Machinery	Others	Total
Sales to external customers	$617,991	$11,950	$221,103	$63,077	$94,183	$81,885	$1,090,189

2. Information about geographical areas

a. Sales

Millions of Yen				
2015				
Japan	Americas	Europe	Other	Total
¥71,630	¥25,526	¥30,719	¥3,133	¥131,008

Millions of Yen				
2014				
Japan	Americas	Europe	Other	Total
¥69,321	¥21,050	¥27,170	¥3,474	¥121,015

Thousands of U.S. Dollars				
2015				
Japan	Americas	Europe	Other	Total
$596,072	$212,416	$255,630	$26,071	$1,090,189

Note: Sales are classified by country or region based on the location of customers.

b. Property, plant, and equipment

Millions of Yen								
2015								
	Americas			Europe				
Japan		United States	Mexico		Switzerland	Poland	Other	Total
¥19,849	¥19,542	¥11,239	¥8,303	¥15,127	¥7,535	¥4,156	¥1,734	¥56,252

Millions of Yen								
2014								
	Americas			Europe				
Japan		United States	Mexico		Switzerland	Poland	Other	Total
¥18,095	¥15,756	¥10,201	¥5,555	¥18,125	¥6,054	¥5,476	¥1,305	¥53,281

Thousands of U.S. Dollars								
2015								
	Americas			Europe				
Japan		United States	Mexico		Switzerland	Poland	Other	Total
$165,174	$162,620	$93,526	$69,094	$125,880	$62,703	$34,584	$14,430	$468,104

3. Information about impairment losses of assets

	Millions of Yen						
	2015						
	Japan	Americas	Europe	PAGO	Asean	Other	Total
Impairment losses of assets	¥ -	¥ -	¥ -	¥760	¥ -	¥ -	¥760

	Millions of Yen						
	2014						
	Japan	Americas	Europe	PAGO	Asean	Other	Total
Impairment losses of assets	¥58	¥ -	¥ -	¥465	¥ -	¥ -	¥523

	Thousands of U.S. Dollars						
	2015						
	Japan	Americas	Europe	PAGO	Asean	Other	Total
Impairment losses of assets	$ -	$ -	$ -	$6,324	$ -	$ -	$6,324

Note: The amount of impairment losses of assets of "PAGO" is included in the Reorganization Expenses of the Other Income (Expenses) section in the consolidated statement of income.

4. Information about major customers

Information is not disclosed because there is no customer who accounts for 10% or more of total sales to external customers in the consolidated statement of income.

5. Information about goodwill

	Millions of Yen						
	2015						
	Japan	Americas	Europe	PAGO	Asean	Other	Total
Amortization of goodwill	¥ -	¥ -	¥ -	¥ 30	¥ -	¥ -	¥ 30
Goodwill at March 31, 2015	-	-	-	79	-	-	79

	Millions of Yen						
	2014						
	Japan	Americas	Europe	PAGO*1	Asean	Other	Total
Amortization of goodwill	¥ -	¥ -	¥ -	¥ 27	¥ -	¥ -	¥ 27
Goodwill at March 31, 2014	-	-	-	107	-	-	107

*1 Goodwill in the amount of ¥602 million was provisionally recognized at March 31, 2013. At March 31, 2014, allocation of the purchase price had been completed and, as a result, investment in associated company and deferred tax liability increased by ¥466 million and ¥35 million, respectively, and the amount of goodwill decreased by ¥431 million.

	Thousands of U.S. Dollars						
	2015						
	Japan	Americas	Europe	PAGO	Asean	Other	Total
Amortization of goodwill	$ -	$ -	$ -	$ 250	$ -	$ -	$ 250
Goodwill at March 31, 2015	-	-	-	657	-	-	657

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